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**STONEBRIDGE JOINERY  
WORKS LIMITED**

**ACCOUNTS  
30 NOVEMBER 1999**

**STRAUSS & CO.  
ACCOUNTANTS and  
REGISTERED AUDITORS  
LONDON AND STANMORE**



## **STONEBRIDGE JOINERY WORKS LIMITED**

### **COMPANY INFORMATION**

<b>Directors</b>	L R Green J L Green A A Green P J Green
<b>Secretary</b>	L R Green
<b>Company Number</b>	00706420 (England and Wales)
<b>Registered Office</b>	200 Acton Lane LONDON NW10 7NH
<b>Auditors</b>	STRAUSS & CO. Accountants and Registered Auditors 14 Valencia Road STANMORE Middlesex HA7 4JH

REPORT OF THE DIRECTORS

30 NOVEMBER 1999

The Directors present their report and the financial statements for the year ended 30 November 1999.

PRINCIPAL ACTIVITIES

The principal activities of the Company are those of timber merchants, joinery contractors and allied furniture products.

RESULTS AND DIVIDENDS

Details of the results for the year are shown in the profit and loss account and the notes relating to it. The directors do not recommend the payment of a dividend.

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

Business was satisfactory and the directors anticipate a further improvement in profits in the future.

DIRECTORS

The Directors who have served during the year, together with their interests in the ordinary shares of the Company as at the beginning and end of the year, are as follows :

	30.11.99	1.12.98
L.R. Green	510	510
J.L. Green	164	164
A.A. Green	163	163
P.J. Green	163	163

FIXED ASSETS

Movements to fixed assets are set out in note 7.

EVENTS SINCE THE END OF THE YEAR

Since the end of the year there have been no events which could materially affect the state of affairs of the Company as shown by the Accounts at that date, the results for the year then ended or any of the figures in the Accounts or Notes thereto.

STONEBRIDGE JOINERY WORKS LIMITED

REPORT OF THE DIRECTORS

30 NOVEMBER 1999

EXPORTS

During the year ended 30 November 1999, the Company exported goods to the value of £21,818 (1998 - £34,737).

AUDITORS

The auditors, Strauss & Co, will be proposed for re-appointment in accordance with section 385 of the Companies Act 1985.

This report, which has been prepared taking advantage of special exemptions applicable to medium companies, was approved by the board on 23 March 2000 and signed on its behalf.

  
L.R. GREEN  
DIRECTOR

STONEBRIDGE JOINERY WORKS LIMITEDDIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to :

- # select suitable accounting policies and then apply them consistently;
- # make judgements and estimates that are reasonable and prudent;
- # state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- # prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

REPORT OF THE AUDITORS TO THE MEMBERS OF STONEBRIDGE JOINERY  
WORKS LIMITED

We have audited the financial statements on pages 5 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

**Respective responsibilities of directors and auditors**

As described on page 3, the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

**Basis of opinion**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board, except that the scope of our work was limited as explained below.

An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. However, the evidence available to us was limited because there have been no revaluations on the company's properties, and we have found no satisfactory means of ascertaining the current market values thereof. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

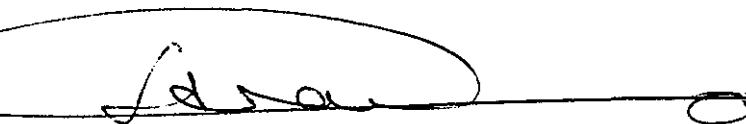
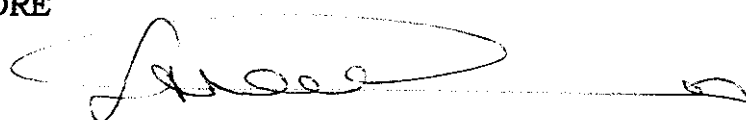
**Opinion**

Except for any adjustments that might have been found to be necessary had we been able to obtain sufficient evidence concerning the value of the company's properties, in our opinion the financial statements give a true and fair view of the state of affairs of the company as at 30 November 1999 and of the profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to medium companies.

STRAUSS & CO.

ACCOUNTANTS and  
REGISTERED AUDITORS  
LONDON AND STANMORE

23rd March 2000

STONEBRIDGE JOINERY WORKS LIMITEDPROFIT AND LOSS ACCOUNTYEAR ENDED 30 NOVEMBER 1999

	Note	1999	1998
Turnover	2	4,527,321	4,551,849
Cost of Sales		2,612,433	2,623,415
		-----	-----
Gross Profit		1,914,888	1,928,434
Administrative expenses		1,757,421	1,663,048
		-----	-----
		157,467	265,386
Bank Interest receivable		2,986	446
		-----	-----
		160,453	265,832
Interest payable	3	70,425	127,697
		-----	-----
Profit on ordinary activities before tax	4	90,028	138,135
Tax on profit on ordinary activities	6	29,842	22,358
		-----	-----
Profit on ordinary activities after tax transferred to reserves	13	£ 60,186	£ 115,777
		=====	=====

All amounts above are derived from continuing operations, and the company has no recognised gains or losses other than the profit for the financial years detailed above.

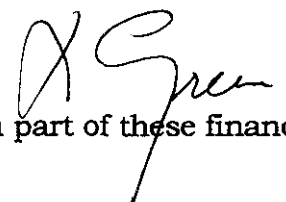
The notes on pages 7 to 11 form part of these financial statements.

BALANCE SHEET30 NOVEMBER 1999

FIXED ASSETS	Note	1999	1998
		£	£
Tangible assets	7	1,729,810	1,906,755
CURRENT ASSETS			
Stock	1/11	428,783	433,041
Debtors	8	775,642	700,956
Cash at bank and in hand		68,271	104,909
		1,272,696	1,238,906
CREDITORS			
Amounts falling due within one year	9	819,378	873,615
Net Current Assets		453,318	365,291
Total assets less current liabilities		2,183,128	2,272,046
CREDITORS			
Amounts falling due after more than one year	10	( 977,369)	(1,126,473)
PROVISION FOR LIABILITIES AND CHARGES			
Deferred Tax	1	-	-
Net Assets		£ 1,205,759	£ 1,145,573
CAPITAL AND RESERVES			
Called up share capital	12	1,000	1,000
Profit and loss account	13	1,204,759	1,144,573
Shareholders Funds		£ 1,205,759	£ 1,145,573

The financial statements, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to medium companies, were approved by the board on 23rd March 2000 and signed on its behalf.

L.R. GREEN, DIRECTOR



The Notes on pages 7 to 11 form part of these financial statements.



NOTES IN THE ACCOUNTS

30 NOVEMBER 1999

1 ACCOUNTING POLICIES

Basis of Accounting

The Accounts are prepared under the historical cost convention.

The company is regarded as a medium company as defined by S.247 of the Companies Act 1985 and has, therefore, taken the exemption not to present a cash flow statement in accordance with FRS1.

Stocks

Stock is stated by the directors at the lower of cost and net realisable value.

Work in process

Work in progress and manufactured stock is stated at direct cost of labour and materials with the addition of an appropriate proportion of factory overheads, or at the net realisable value if lower.

Depreciation

Fixed assets are depreciated over their estimated useful lives on their written down value at 25% per annum. In view of the nature and anticipated life span of the new specialised boiler, sprinkler system and combined extraction plant, these items have been depreciated at 7% per annum.

Depreciation has been provided on the original freehold property at 2% on cost. In the opinion of the directors, the value is considerably in excess of that stated in the accounts. The last valuation in January 1999 valued the property at £1,000,000 for the purposes of obtaining a mortgage. Depreciation of 2% on cost has been provided on the total cost to date of the new factory.

Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Deferred Taxation

Deferred tax in respect of accelerated capital allowances and other timing differences is provided under the liability method except where such timing differences are expected, with reasonable probability, to continue in the foreseeable future.

Turnover

Turnover represents the total amount receivable in the ordinary course of business for goods sold, after deducting discounts given and credit notes issued.

NOTES ON THE ACCOUNTS30 NOVEMBER 1999

## Pensions

The Company operates a scheme based on final pensionable salary. The costs of the scheme, based on final pensionable salary, are charged to the profit and loss account so as to spread the regular cost over the average service lives of employees. Contributions to the defined contribution scheme are charged to the profit and loss account in respect of the year to which they relate.

2 **TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAX**

Turnover and profit on ordinary activities before tax is attributable to the principal activities in the United Kingdom.

3	INTEREST PAYABLE	1999	1998
		£	£
	On loans, mortgages and overdrafts	70,425	127,697
		=====	=====

4 **PROFIT ON ORDINARY ACTIVITIES BEFORE TAX**

	is stated after charging	1999	1998
		£	£
	Depreciation	280,455	267,560
	Auditors' remuneration	13,000	12,000
		=====	=====
	Directors' Emoluments	270,550	305,650
	Pension Costs	21,050	20,000
		=====	=====

5	STAFF COSTS	1999	1998
		£	£
	Wages and salaries	1,324,258	1,347,602
	Social security costs	161,964	168,782
		-----	-----
		1,486,222	1,516,384
		=====	=====

The average weekly number of employees during the year was

87	92
==	==

6 **TAX ON PROFIT ON ORDINARY ACTIVITIES**

	1999	1998
	£	£
Corporation tax on the results for the year @ 20%/21%	29,842	22,358
Deferred tax	-	-
	-----	-----
	29,842	22,358
	=====	=====

STONEBRIDGE JOINERY WORKS LIMITEDNOTES ON THE ACCOUNTS30 NOVEMBER 1999

## 7 TANGIBLE FIXED ASSETS

	Freehold property £	Motor vehicles £	Fixtures & Fittings £	Plant £	Total £
Cost					
At 1 December 1998	1,016,624	162,515	280,585	2,661,640	4,121,364
Additions	11,450	24,621	27,914	54,222	118,207
Disposal	-	( 16,327)	-	( 14,437)	( 30,764)
At 30 November 1999	1,028,074	170,809	308,499	2,701,425	4,208,807
Depreciation					
At 1 December 1998	57,381	77,900	179,149	1,900,179	2,214,609
Released on disposal	-	( 9,439)	-	( 6,628)	( 16,067)
Charge for the year	20,561	25,587	32,338	201,969	280,455
At 30 November 1999	77,942	94,048	211,487	2,095,520	2,478,997
Net book value	950,132	76,761	97,012	605,905	1,729,810
At 30 November 1999	=====	=====	=====	=====	=====
At 30 November 1998	959,243	84,615	101,436	761,461	1,906,755
	=====	=====	=====	=====	=====

## 8 DEBTORS

	1999 £	1998 £
Amounts falling due within one year		
Trade debtors	747,948	662,075
Prepayments	23,606	28,013
Other Debtors	4,088	10,868
	775,642	700,956
	=====	=====

STONEBRIDGE JOINERY WORKS LIMITEDNOTES ON THE ACCOUNTS30 NOVEMBER 1999

## 9 CREDITORS

	1999	1998
	£	£
Amounts falling due within one year		
Instalments on mortgage		
and hire purchase	218,870	223,691
Trade creditors	353,081	385,578
Corporation tax	29,842	22,358
Other taxes		
and social security costs	152,829	176,726
Other creditors	-	40,000
Accruals	64,756	25,262
	-----	-----
	819,378	873,615
	=====	=====

## 10 CREDITORS

	1999	1998
	£	£
Amounts falling due		
after more than one year		
Amounts repayable		
within five years	195,788	213,999
after five years	781,581	912,474
	-----	-----
	(977,369)	(1,126,473)
	=====	=====

The commercial mortgages for twenty-five years are secured by a legal charge over the freehold properties and by a debenture over the company's assets.

## 11 STOCKS

	1999	1998
	£	£
Raw Materials	301,119	239,809
Work in progress	87,501	131,088
Finished goods	40,163	62,144
	-----	-----
	428,783	433,041
	=====	=====

## 12 CALLED UP SHARE CAPITAL

	1999	1998
	£	£
Authorised		
1,000 Ordinary shares of £1 each	1,000	1,000
	=====	=====
Called up and fully paid		
1,000 Ordinary shares of £1 each	1,000	1,000
	=====	=====

STONEBRIDGE JOINERY WORKS LIMITEDNOTES ON THE ACCOUNTS30 NOVEMBER 1999

## 13 RESERVES

	1999 £	1998 £
Profit and loss account		
At 1 December 1998	1,144,573	1,028,796
Retained Profit for year	60,186	115,777
	-----	-----
At 30 November 1999	1,204,759	1,144,573
	=====	=====

## 14 CAPITAL COMMITMENTS

Expenditure contracted for but not provided in the accounts	- =====	- =====
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## 15 CONTINGENT LIABILITIES

The company acts as guarantor for Artesium Properties Limited in respect of an obligation amounting to £450,000 which is covered by the value of its freehold property.

## 16 CLOSE COMPANY

The close company provisions of the Taxes Act 1970 apply to the Company.